

BERLIN READY FOR PEACE, HOLLWEG TELLS ENTENTE

CHANCELLOR ASKS AMERICAN, SPANISH AND SWISS DIPLOMATS TO TRANSMIT OFFER TO ALLIES

Proposals Called Appropriate for Establishment of Lasting Calm in Europe—Other Neutral Powers Informed

Note Expresses Willingness to Begin Negotiations at Once. Austria, Turkey and Bulgaria Give Similar Notification—Thronged Reichstag Receives News With Great Solemnity

BASIS FOR EFFECTING WORLD PEACE AS NOW PROPOSED BY GERMANY

- 1.—That Poland and Lithuania be recognized as independent kingdoms. 2.—That Germany restore Belgium and northern France. 3.—That the fate of the Balkan States be settled in a general peace conference.

WASHINGTON, Dec. 12.—The German Embassy announced today that the following were the main points in Germany's peace proposals: The Chancellor this morning received one after the other the representatives of the United States of America, of Spain and of Switzerland. These are the countries that are protecting German interests in hostile nations.

By handing the note to the representatives of the United States, Spain and Switzerland, Germany really transmitted it directly to her enemy nations. Under existing conditions this is the only possible course of diplomatic interchange between the Central Powers and the Entente allies.

The procedure in transmission of Germany's peace proposals will be identical in the cases of all the neutral Powers whose aid is invoked. The diplomatic representatives of America, Spain and Switzerland will forward the note handed them by Bethmann-Hollweg to their respective capitals. The Foreign Offices, or State Departments, of these neutral nations will then transmit the text to the American, Spanish and Swiss Ambassadors or Ministers at the capitals of the Entente allies.

The same procedure will be followed in the case of formal replies to the peace propositions. England, for instance, will probably give to the American Ambassador, the Spanish Ambassador and the Swiss Minister identical notes detailing their response to Germany's proposals. These will be transmitted to the capitals of the United States, Switzerland and Spain, and formally handed to Germany through the agency of the American, Swiss and Spanish diplomatic representatives at Berlin.

U. S. WILL STUDY PEACE PROPOSAL BEFORE MAKING MOVE, OFFICIALS SAY

WASHINGTON, Dec. 12.—If Germany's peace proposals are such that she merely wishes the United States to act as courier in transmitting them this Government will not do so without any comment of her own. On the other hand, if Germany's proposals are that the United States itself, along with other neutral nations, shall make proposals in their own name on Germany's behalf, the Administration will study the proposals before taking action.

THE WEATHER FORECAST For Philadelphia and vicinity—Snow this afternoon and probably tonight, followed by fair Wednesday; steadily falling temperatures, with lightest tonight about 35 degrees; fresh westerly winds.

MUST FIGHT UNTIL PEACE COMES, KAISER'S WORD TO HIS SOLDIERS

BERLIN, Dec. 12.—EMPEROR WILLIAM today sent the following proclamation to his troops in the field: "Soldiers—In agreement with my allies and their sovereigns, and with the consciousness of victory, I have made a peace offer to the enemy. Whether it will be accepted is still uncertain, and until that moment you will fight on."

GERMANY READY TO GIVE UP CONQUESTS, DIPLOMAT SAYS

Willing to Quit France and Belgium—Wants Polish and Lithuanian Kingdoms and Balkan Readjustments, Official Asserts

WASHINGTON, Dec. 12.—Germany's peace proposals, according to a German Embassy official, will include a suggestion that the territorial status of the nations engaged be returned "virtually" to what it was before the war started. The exceptions are in the establishing of important kingdoms of Poland and Lithuania and some readjustment of international boundaries in the Balkans.

The factors which are said to have led to the German peace proposals at this time are: The favorable military position of the Central Powers. The fact that the winter at hand will necessitate cessation of hard fighting for three months.

"The important question is to find out whether the Allies will talk peace," said this official. "Germany makes the proposal in order to find out whether it may be more reasonable to stop fighting before either side is able to get in what Lloyd George called in his interview some days ago, a 'knockout blow.'" Although he has no appointment, it is expected Ambassador von Bernstorff will see Secretary Lansing shortly and thoroughly discuss with him the whole matter. It is believed possible von Bernstorff may shortly express a desire for an audience with President Wilson.

It is not believed Ambassador Gerard had any definite information of Germany's peace proposals when he left Berlin. In diplomatic circles, it was said Germany's action must have been partly determined by the success of the Rumanian campaign and by the Cabinet crisis in England and France. The peace conference, if it comes, will probably be held either at Berne, Switzerland, or at The Hague, it was predicted.

GERMANY, SECURITY WON, CAN HONOR PEACE DUTY TO WORLD, HOLLWEG SAYS

BERLIN, Dec. 12.—Chancellor Bethmann-Hollweg's statement to the Reichstag, as issued by the Press Bureau, is as follows: "Chancellor Bethmann-Hollweg today announced in the Reichstag that Germany, with her allies, conscious of their responsibility before God, before their own nations and before humanity, had proposed this morning to the hostile Powers that they enter peace negotiations. "Virtually all members of Parliament answered an unexpected summons. "A crowded house and thronged galleries listened in respectful silence when the Chancellor arose for his speech, in which he first outlined the extraordinary political situation and then, insisting upon the achievements of the Central Powers, made the announcement which possibly may act as the turning point in the war, which for more than two years has held the world under its spell. "The Chancellor said it was fortunate that the Reichstag had not been

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STOCK VALUES CRUMBLE ON GERMAN PEACE NEWS

Whole List Takes Part in Decline—Rally, Then Fall Again. Foreign Bonds Strong

NEW YORK, Dec. 12.—News of Germany's peace proposals hit the stock market hard today. Values crumbled as holders threw over their stocks, and losses by mid-day ranged from 1 to more than 4 points, and in one case, Bethlehem Steel, the loss was 24 points in the first two hours of trading. This decline was extended another point in the afternoon, making 27 points for the day and 44 from the high of yesterday.

There was the Camden group, for instance, a seasoned little old man whose "bronkial tubes" are directly responsible for his customary pessimism. On rainy mornings when he has in come across the ferry he stands apart glowering darkly like Napoleon at St. Helena, as mad as a man with "bronkial tubes" can be on a rainy morning. But this morning, because the moisture had crystallized into these little hexagons which the dictionary considers it necessary to tell us are well-nigh perfect seen through a microscope, the Camden group rubbed elbows companionably with his kind. He called on them to witness the beauty of nature. "Look at that there city," he exclaimed.

QUICK NEWS

U. S. CABINET DISCUSSES PEACE ROLE

WASHINGTON, Dec. 12.—The part the United States will be called upon to play if peace conferences develop from the offer of the Berlin Government to enter into peace negotiations was taken up at the Cabinet meeting. It was insisted just before the meeting that no official word of the German Chancellor's offer had been received. Unofficial reports are thoroughly credited, it was said, and the discussion was based on them.

KEYSTONE PAYS SOME OF BACK DIVIDENDS

Directors of the Keystone Telephone Company this afternoon declared a dividend of two per cent on account of accumulated dividends on the preferred stock.

AFRICAN EXCLUSION LOSES IN SENATE

WASHINGTON, Dec. 12.—The Senate, by a vote of 37 to 32, this afternoon rejected Senator Reed's amendment to the immigration bill excluding all natives of Africa. The West Indies exclusion amendment was lost, 35 to 25.

ALLIS-CHALMERS PAYS SOME BACK DIVIDENDS

NEW YORK, Dec. 12.—The Allis-Chalmers Manufacturing Company has declared a dividend of 1 1/2 per cent on the preferred stock on account of accumulated dividends.

BRIAND ANNOUNCES NEW CABINET IS COMPLETE

PARIS, Dec. 12.—The reorganization of the French Government has been effected, Premier Briand announced today. The personnel will be published in the official journal tomorrow. The Premier added that the reorganized Cabinet probably would make its first appearance in the Chamber of Deputies tomorrow. Deputy Bonnefous has introduced a bill for the creation of a parliamentary commission of national defense.

E. W. BLISS CO. PAYS 100 PER CENT DIVIDEND

NEW YORK, Dec. 12.—The E. W. Bliss Company has declared the regular quarterly dividend of 1 1/2 per cent and extra dividend of 100 per cent on the common stock, payable December 23. Books close December 15, reopen December 25. The regular quarterly dividend of 2 per cent on the preferred stock was also declared, payable December 23. Books close December 15, reopen December 25.

ERIE EVENING PAPERS MAKE PRICE TWO CENTS

ERIE, Pa., Dec. 12.—Because of the advance in the cost of print paper and other materials, two afternoon papers here announced an increase in price from one to two cents.

\$8,000,000 IN GOLD REACHES MINT HERE

J. P. Morgan & Co. shipped \$8,000,000 in gold bullion to the Philadelphia Mint today. It arrived by express from New York. In return for the bullion the United States Government will pay the Morgan firm ninety-five per cent of its value, holding the remainder to be paid when the gold is weighed and assayed. "The gold will not be coined now," said Adam Joyce, superintendent of the Mint. "We have not coined any gold here this year and do not expect to coin any for some time. This shipment will be stored in bullion form."

2890 STRIKES IN TEN MONTHS THIS YEAR

WASHINGTON, Dec. 12.—According to the United States Bureau of Labor Statistics, the number of strikes and lockouts during the first ten months of 1916 was 2890. For the corresponding months of 1915 the number was 1025.

16 BELGIANS KILLED IN DEPORTATION RIOTS

AMSTERDAM, Dec. 12.—Killing of sixteen Belgians in a riot at Turcoing, Belgium, due to German deportations was reported by the newspaper Echo de Belges today. A German soldier, who struck a Belgian with the butt of his gun, was attacked by the crowd and the German troops in charge of the deportations responded with a fusillade. Many were wounded. Fifty Belgians were arrested.

"HIGH COST OF GOVERNMENT" PASSED TO NEXT CONGRESS

WASHINGTON, Dec. 12.—The problems of the "high cost of government" during the next fiscal year will be passed on by the present Congress to the next national legislature, which comes to life on March 4. Majority Leader Kitchin, chairman of the House Ways and Means Committee, said today that the present session of Congress would make no attempt to increase the revenues of the Government, despite the fact that Secretary of the Treasury McAdoo estimates that the revenues under the present laws, for the year beginning July 1 next, will be much less than the disbursements of the Government.

LANE FOR SUPREME BENCH, IS REPORT

WASHINGTON, Dec. 12.—Associate Justice McKenna, of the Supreme Court of the United States, will resign from the bench in the near future and Secretary of the Interior Lane will be appointed in his place, according to information obtained here today. Justice McKenna has been contemplating resigning for some months, but delayed his action, it was said, in the expectation of giving his former colleague on the bench, former Justice Hughes, the opportunity to name his successor.

PAGE WILL NOT RESIGN AS U. S. ENVOY, FRIENDS SAY

LONDON, Dec. 12.—Close friends of W. H. Page, United States Ambassador to England, declared today that there is no foundation for recent reports that the envoy will resign.

PRICE OF CRUDE OIL AGAIN ADVANCED

NEW ORLEANS, Dec. 12.—The price of Humble, Sour Lake and Jennings's grades of crude oil has been advanced fifteen cents a barrel, to eighty cents.

REV. J. J. WARD SERIOUSLY ILL

The condition of the Rev. John J. Ward, pastor of the Church of the Sacred Heart, Third and Reed streets, who has been seriously ill with pneumonia, is reported to be exceedingly grave today. The patient's temperature has risen rapidly since morning and he is breathing with great difficulty. Father Ward is past seventy years of age.

REWARD FOR ARREST OF AUTOIST WHO HIT GIRL

A reward of \$100 for information leading to the arrest of the motorist who struck Miss Katherine Brennan, of Rosemont, and then sped away without giving any aid, has been offered by Captain James L. Donaghy, chief of police of Lower Merion township. The township commissioners decided on this action after the death of Miss Brennan in the Bryn Mawr Hospital yesterday. She was run down while walking in Montgomery avenue, Rosemont, on Thursday night.

STATE ANNUAL FOREST FIRE LOSS ENORMOUS

Pennsylvania's annual loss from forest fires ranges from \$25,000,000 to \$50,000,000, according to George H. Wirt, chief forest fire warden of the State Department of Forestry. He is a delegate at the annual meeting of the Pennsylvania Forestry Association.

HARRISBURG STARTS \$1,000,000 HOTEL SOON

HARRISBURG, Dec. 12.—The Penn Harris, the new \$1,000,000 hotel to be erected here by local capital, will be started within three months by the Harrisburg Hotel Company. It will be conducted by the United Hotels Company, of New York, which operates the largest chain of hotels in the country.

GERMANY PLANS WINTER CAMPAIGN

Victory in Rumania Called Prelude to Offensive Against Russia

PREPARATION COMPLETE



CARL W. ACKERMAN

By CARL W. ACKERMAN WITH THE GERMAN ARMY AT BUCHAREST, FIELD MARSH VON MACKENSEN'S HEADQUARTERS, Dec. 8 (by courier to Berlin and wireless to the United Press, Dec. 12).—Germany's campaign in Rumania has only started. Every German soldier is fitted with snowshoes for the winter campaign—and all wagons are so devised that they can be transformed into sleds. Favored by ideal weather, the forces of Field Marshal von Mackensen and General von Falkenhayn have acquired such a momentum with the fall of Bucharest that they will surge on further into Rumania. Field Marshal von Mackensen, by Bucharest's fall, is in a position to swing masses of men and artillery north, south, east and west, with clear lines of communication. The complete demoralization of the Rumanian forces has permitted von Mackensen's troops to advance with insignificant losses.

As General von Kluck once declared in an interview, "One cannot postpone the opportunity to fight if one expects to win the battle," and it is on this theory that von Mackensen is operating in Rumania. There is every indication that the Rumanians will have to fight for their lives this winter—instead of next spring, as General Brussiloff has declared.

For the first time since Belgium was crossed, newspaper correspondents were permitted to follow the German army without restrictions; allowed permission to live with the troops and to watch bombardments.

THIRD TO BURN VILLAGES Apparently acting under the influence of Russia, the retreating Rumanians attempted to burn all cities and villages which they evacuated, but the German advance was so swift in many instances that this plan of destruction was forestalled. According to prisoners Rumanians, Russia's advance to the Rumanian army was to retreat to the east of Bucharest, burning all supplies and all towns, so as to create a veritable death zone—just as the Russians did in Poland during the last Hindenburg offensive, when they destroyed 4000 towns. But the Rumanians, in a great many instances, refused to make such sacrifices of their property.

In Craiova citizens related how, before the Germans appeared there, the Rumanian Government at Bucharest ordered the Craiova police to destroy all food supplies, even those which were the private property of the inhabitants. The citizens held a public meeting and sent word back to Bucharest that unless these orders were recalled there would be a civil war the next day. Bucharest withdrew the order by telegraph.

In such a movement as that through Rumania the soldiers sleep in towns every night, living in stables, houses and schools, while the officers are housed with prominent families. While each army carries sufficient provisions, the soldiers like little extras, with the result that all stores do a big business. In a "death zone," such as the Rumanians advised, the advancing army would be forced to provide shelter, which is an enormous handicap. Food supplies would also be lacking.

NEW "ARMORED DEVILS" Working with the German troops is a new military monster. It is an armored automobile which attains a speed of thirty miles an hour, carries machine guns and has a crew of one officer and nine men. In the very action in which this new monster was used—the soldiers call it "the armored devil"—it killed 200 men and wounded 150. This was directly in front of Bucharest. The car returned safely. Nothing invented in this war, not even the British "tanks," can compare with the success of this new engine of destruction. In a small railroad station one night I met a first lieutenant who was leader of the armored car squadron and returning to Berlin to supervise the building of these marvels. I learned that the first models of the present machine were used at Verdun during the offensive, then in Alsace and also a few times in Russia. Then came the new model in Rumania. Its operation has been so successful that it has literally been "run to death" lately and is now being repaired after fairy-tale exploits in the battle of Turcoing, where the Germans broke the Rumanian line opening the way to Craiova. It was here that the "armored devil" played its first big role. Spending thirty miles an hour it rushed through the country and crossed numerous bridges so that the entire Rumanian railroad system west of Craiova was crippled.